

PARADYNE INFOTECH LIMITED ANNOUNCES JUNE 2006 QUARTER RESULTS

Highlights of the results are:

The Company has declared impressive financial results

1. **Total Revenue** grew by **15.91%** (Sequential QoQ) to **Rs. 268.46 million**
2. **EBITDA** grew by **39.20%** to **Rs. 39.16 million** (Sequential QoQ)
3. **Net Profit after Tax** increased from Rs. 20.14 million to Rs. 28.41 million a Sequential Q on Q growth of **41.10 %**
4. **EPS** grew by **41.08 %** to **Rs. 2.61** (Sequential QoQ)

Paradyne Infotech Limited is a leading IT services company having its core competencies in Software Services and Infrastructure Management Services.

Paradyne's products and services are focused on industry segments like Banking & Finance, Manufacturing & Retail, Independent Software Vendors, e-Governance, Education & Research, etc. The Company has two flagship products – **HrWorQ** - a complete suite of Human Resource Information Management Solutions and **FinWorQs** - a complete Core Banking Solution. Both the products have proven their mettle and have stood the test of time. Paradyne offers its customers a 'Velocity to Business ' advantage by implementing its time tested products, well-proven processes & world-class services. The Company has its presence in the US, through its wholly owned subsidiary – Dyne Techservices Inc., which focuses on market development and new business acquisition for the company.

Paradyne Infotech Limited, today announced its results for the quarter ended on 30th June 2006 in Mumbai. The Board of Directors of Paradyne Infotech Limited at its meeting held on 24th July 2006, approved the Un-audited Financial results for the quarter ended on 30th June 2006.

Commenting on the Results, **Mr. Annand Sarnaik, Managing Director & CEO** of the company, said "The Company continues to grow at a healthy pace and is looking forward to accelerate the pace by emphasizing on the software services business. Consistency of products and services has helped the company cross sell its services to its existing customers and has significantly added to the bottom line. The company, along with its subsidiary, Dyne Techservices, is working on several projects in the US and is expecting a steady flow of business from there in the near future."

Contact for Investor Relations

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Disclaimer

Any statements contained in this release that are not historical facts are forward-looking statements. Words such as “believe,” “estimate,” “intend,” “may,” “will,” “expect,” and “project” and similar expressions as they relate to the Company are intended to identify such forward-looking statements. All forward-looking statements are subject to various risks and uncertainties. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases, our abilities to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage international operations, reduced demand for technology in our key focus areas, disruption in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Paradyne has made strategic investments, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company undertakes no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates.